

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2785 – SB 3790

February 5, 2010

SUMMARY OF BILL: Creates a Class E felony for any officer of the Tennessee Department of Transportation (TDOT) knowingly to enter into a contract for the design, survey, construction, or maintenance of any portion of I-69, or any other interstate or highway project linking Canada, the United States and Mexico. Violation is punishable only by a fine of \$10,000.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - Exceeds \$5,250,000/One-Time/Highway Fund

Decreases Federal Expenditures - \$21,000,000/One-Time/Highway Fund

Assumptions:

- To avoid criminal violations, no additional work will be completed or contracted after July 1, 2010 on any portion of the I-69 corridor project.
- According to the TDOT, more than \$138 million in federal funds has been earmarked for I-69 work in Tennessee. Currently, more than \$21,000,000 is unobligated.
- According to the TDOT, funds are disbursed by an 80/20 ratio of federal and state funds.
- Prohibiting officers from entering into contracts for the design, survey, construction or maintenance of any portion of I-69 will result in a decrease in state expenditures of \$5,250,000 and a \$21,000,000 decrease in federal funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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